

DRAFT

May 20, 2002

D.T.E. 02-34

ORDER OF NOTICE

Canal Electric Company ("Canal"), Cambridge Electric Light Company ("Cambridge") and Commonwealth Electric Company ("Commonwealth") d/b/a NSTAR Electric ("NSTAR Electric") shall, no later than fourteen (14) days prior to Wednesday, June 12, 2002, give notice of said hearing by publication in either the Boston Globe or the Boston Herald, and by publication prior to June 12, 2002 in the Cambridge Tab, New Bedford Standard Times, Cape Cod Times.

NSTAR Electric is further ordered to serve a copy of this notice by mail to the Chairmen of the Boards of Selectmen, the Mayors and the City Clerks in every municipality in Cambridge's and Commonwealth's service territory.

NSTAR Electric is required to make return of service and publication at the time of the public hearing on June 12, 2002.

By Order of the Department

Mary L. Cottrell, Secretary

DRAFT

NOTICE OF FILING AND PUBLIC HEARING

D.T.E. 02-34

May 20, 2002

Petition of CANAL ELECTRIC COMPANY ("CANAL"), CAMBRIDGE ELECTRIC LIGHT COMPANY ("CAMBRIDGE") AND COMMONWEALTH ELECTRIC COMPANY, D/B/A NSTAR ELECTRIC ("NSTAR ELECTRIC" or the "COMPANIES") for approval to divest ownership interest in the Seabrook Nuclear Power Station pursuant to G.L. c. 164, §§ 1A, 1G, 76, 94, 94A and 94B and for findings under section 32(c) of the Public Utility Holding Company Act of 1935

On May 17, 2002, the Companies filed a petition with the Department of Telecommunications and Energy ("Department"), pursuant to G.L. c. 164, §§ 1A, 1G, 76, 94, 94A and 94B, for the following: (1) approval of the sale of Canal's interest in the nuclear power plant known as Seabrook Station ("Seabrook"), which is an operational 1,161-megawatt ("MW") nuclear generating unit located in Seabrook, New Hampshire, to FPL Energy Seabrook, LLC ("FPLE Seabrook"); (2) approval of the Ninth Amendment to Power Contract By and Between Canal Electric Company, Cambridge Electric Light Company and Commonwealth Electric Company, which provides for Cambridge and Commonwealth's buyout of any and all obligations with respect to purchasing Seabrook power from Canal (the "Buyout Agreement"); and (3) findings concerning the divested assets as eligible facilities for exempt wholesale generator ("EWG") status under Section 32 of the Public Utility Holding Company Act of 1935 (15 U.S.C. § 79z-5a) ("PUCHA").

Seabrook was offered for sale at a public auction conducted pursuant to New Hampshire Revised Statutes (Annotated) 369-B:3, IV (b)(13) and the Connecticut General Statutes Section 16-244g. Canal, in conjunction with the other selling owners and FPLE Seabrook entered into a purchase and sale agreement for its respective interest of the sale of 88.23 percent of Seabrook for a price of \$836.6 million, subject to certain adjustments at closing. Canal has an approximate 3.52 percent ownership interest in Seabrook. The Companies are not seeking adjustment to any Transition Charges in this proceeding.

In addition, the Companies are requesting approval of the Ninth Amendment to Power Contract By and Between Canal Electric Company, Cambridge Electric Light Company and Commonwealth Electric Company, which provides for Cambridge and Commonwealth's buyout of any and all obligations with respect to purchasing Seabrook power from Canal.

A copy of petition and supporting papers may be inspected at the offices of the Department, One South Station, Boston, MA 02110, Monday through Friday, between the hours of 9:00 a.m. and 5:00 p.m., or at the offices of the Company at the Prudential

Tower, 800 Boylston Street, Boston, MA 02199 (contact David S. Rosenzweig, Esq. at (617) 951-1400).

The Department of Telecommunications and Energy will hold a public hearing to receive comments on the Petition and a procedural conference on the above-captioned matter on Wednesday, June 12, 2002, at 10:00 a.m. at its offices, One South Station, Boston, Massachusetts 02110.

Any person wishing to submit comments in writing on the Petition, or petition for leave to intervene in the proceeding, should file an original and three (3) copies of such written comments or petitions with Mary L. Cottrell, Secretary to the Department of Telecommunications and Energy, One South Station, Boston, Massachusetts 02110 not later than the close of business (5:00 p.m.) on Monday, June 10, 2002. A petition to intervene must satisfy the timing and substantive requirements of 220 C.M.R. § 1.03. Receipt by the Department -- not mailing -- constitutes filing and determines whether a petition has been timely filed. A late-filed petition may be disallowed as untimely, unless good cause is shown pursuant to 220 C.M.R. § 1.01 (4) for a waiver of the timing requirement. To be allowed, a petition to intervene filed pursuant to 220 C.M.R. § 1.03 (1) must satisfy the standing requirements of G. L. c. 30A, § 10.

All written pleadings, comments, or petitions to intervene must also be submitted to the Department in electronic format using one of the following methods: (1) by e-mail attachment to dte.efiling@state.ma.us or; (2) on a 3.5" disk, IBM-compatible format. The text of the e-mail or the disk label must specify: (1) an easily identifiable case caption, (2) docket number, (3) name of the person or company submitting the filing, and (4) a brief descriptive title of document (e.g., comments or petition to intervene). The electronic filing should also include the name, title, and phone number of a person to contact in the event of questions about the filing. Text responses should be written in either Word Perfect (naming the document with a ".wpd" suffix), Microsoft Word (naming the document with a ".doc" suffix), or Adobe Acrobat (naming the document with a ".pdf" suffix). Data or spreadsheet responses should be compatible with Microsoft Excel. Documents submitted in electronic format will be posted on the Department's website, <http://www.state.ma.us/dpu>.

Any person desiring further information regarding this notice may contact:

_____, Hearing Officer
Department of Telecommunications and Energy
One South Station
Boston, Massachusetts 02110
(617) 305 – 3500

By Order of the Department

Mary L. Cottrell, Secretary